

and solvent and something forever American family?

Status quo—just tinker with it, or change it and make it work?

Fourth, welfare reform: On October 24, if those votes prevail, welfare as we know it today will never be the same. We are saying that was a failed program. All America knows this. So we are changing it.

Who are the adversaries? Who wanted it left the same? Who has told the country we ought not to change it? It is the other side of the aisle.

So on these four great issues:

Balancing the budget: We stand with America, who says, "Balance it." The President says, "Stay with the status quo."

Medicare: We say, "Save it, change it, make it plausible, and reach solvency for 10 to 20 years." What do they say? "Keep it the way it is, tinker with it 24 months."

Tax relief: "Well, I raised taxes too much." We are saying, "Fine. Reduce them. Lower the burden on the working families so that the family can care for itself."

And welfare: "Change it." "No, leave it the same."

Mr. President, this is probably one of the most historical votes in the history of the Congress. That question is, are we going to take the changes that America is asking for and respond to them and do it, or are we going to defend Washington and three decades of bureaucracy, tax America, spend America, and leave it the same? That is the fulcrum. That is the question.

I hope every American is riveted on the votes that are cast and what they stand for. Change it. A new way—go into the new century ready to do it, an American century. Or the status quo that has brought us almost to our knees.

Mr. President, I yield the floor.

Mr. COCHRAN addressed the Chair.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Senator from Mississippi is recognized.

Mr. COCHRAN. Mr. President, I understand that the time under our special order has expired.

I want to thank the distinguished Senator from Georgia for his remarks and also those other Senators who have spoken so eloquently and convincingly this afternoon on the subject of the importance of our reconciliation process, balancing the budget, and ushering in a new era of fiscal responsibility. That is what we are determined to achieve, and with the support of Senators we will achieve that and make this a truly new day for America.

Mr. DORGAN addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota is recognized.

Mr. DORGAN. Mr. President, am I correct that the previously agreed upon agenda gives us 1 hour?

The PRESIDING OFFICER. The Senator has all the time he needs between now and 2 o'clock.

Mr. DORGAN. I thank the President for that advice.

## MEDICARE AND TAX CUTS

Mr. DORGAN. Mr. President, we have heard a generous bit of discussion the last couple of days on the floor of the Senate about Medicare by people on the other side of the aisle. I must say the consistency with which the assertions are made on the floor of the Senate about Medicare reminds me of the consistency yesterday by the folks who came into this Chamber and cast votes on term limits. It was very interesting to see people who have served here 30 years cast their votes calling for term limits; people here 20 years say, "Well, we are in favor of term limits." I saw one fellow who has been here 12 years vote for term limits and walk out of the Chamber. And, of course, I know he just filed for reelection for the next term.

This is the group that says, "Stop me before I run again." It is the same consistency of thought that allows them to make these kind of representations on Medicare and taxes and their budget, or lack of consistency, I might say.

They say, "We are not cutting Medicare." What are people saying? Why would they say we are cutting Medicare? The fact is, we know what it is going to cost to provide a Medicare Program for the next 7 years. Those costs are estimated.

The majority party is saying we want to provide \$270 billion less than it is going to cost. That is a cut. The senior citizens are going to pay more and get less. That is a cut. Oh, you can proclaim all you want that it is not a cut. But the folks who pay more for less health care is going to know it is a cut.

I thought, rather than have a Democrat who will be viewed as someone covered by partisanship making the point, I would have a Republican make the point so that we are not going to argue about whether or not this is a cut or whether it is fair. Let me have Kevin Phillips, a Republican political analyst, make the point. He made this not too long ago, about a week or 2 ago on public radio.

He said:

Remember, at the same time as the Republicans proposed to reduce Medicare spending by \$270 billion over 7 years, they want to cut taxes for corporations, investors and affluent families by \$245 billion over the same period. This is no coincidence.

That is a Republican who says that.

Kevin Phillips, a Republican analyst, responds to these folks who have treated us to 2 hours now in 2 days of protest that they are not doing what they are really doing, says:

Today's Republicans see Federal Medicare outlays to old people as a treasure chest of gold for partial redirection in their favorite directions; towards tax cuts for deserving corporations, families, and individuals.

Kevin Phillips, a Republican, says:

The revolutionary ideology driving the new Republican Medicare proposal is also simple. Cut middle-class programs as much as possible and give the money back to the private sector business, finance and high-income taxpayers.

Finally, not a Democrat, Kevin Phillips, a Republican, responds to the 2 hours in 2 days of protests from people who say they are not doing what they are doing, says:

Let's be blunt. If the Republican Medicare reform proposal was a movie, its most appropriate title would be "Health Fraud II."

This debate is about choices, and do not lament the fact that we do not agree. The debate is healthy. It is what the democratic system is about—different ideas, and seeking from those different sets of ideas the best of those ideas, but which have the worst of the priorities in this Chamber these days. Those priorities say let us kick 55,000 kids off the Head Start Program, and every single one of those kids has a name and some place in their chest they are hoping they get a start, hoping they get a decent chance. But there is not enough money for 55,000 Head Start kids. There is not enough money to send kids to college, which is going to make it tough for families to send their kids to college because we do not have enough money. There is just not enough money for education and not enough money for health care. We cannot afford health care for the sick and the old. So we have to make some adjustments there.

But there is enough money for—what? B-2 bombers, nobody ordered, 20 of them, \$30 billion. Nobody wanted them. Nobody ordered them. The Defense Department did not ask for them. But they say we want to buy 20 anyway.

There is enough for a star wars program that nobody asked for. Enough for F-16's nobody ordered; F-15's nobody asked for; two amphibious ships for \$2 billion this country does not need; and, yes, even \$60 million for blimps that was written into the Defense budget. Who wrote it in? I could not find out. There were no hearings, no thought, and no discussion. Just buy some blimps. We cannot afford Head Start for kids. But we can buy blimps, the *Hindenburg* strategy of American defense, I guess.

New ideas? No, no. Herbert Hoover with the shoeshine and a haircut; nothing new about this. This is not a new set of ideas, or a new direction, or a new policy. It is, let us decide that the rich have too little and the poor have too much.

Kevin Phillips, a Republican, says this: Cut middle-class programs as much as possible and give the money back to private sector business, finance, and high-income taxpayers. There is nothing new about that. But it is not the right priority for this country. We ought to tighten our belt, and we ought to do it soon.

All of us believe that we ought to balance the budget, and we ought to do it the right way. All of us believe that you ought to invest for the future in this country. All of us believe the right investment will produce results for America.

I do not believe any of us really think that this set of priorities makes sense for this country's future—B-2 bombers, star wars, blimps, ships, submarines, and airplanes that nobody ordered, nobody asked for, and nobody wanted; \$7 billion more pumped into the Defense appropriations bill that nobody asked for. And then we say we are sorry, Timmy, or Tommy or Ruth or Mary; you are 4 years old and poor and want a head start, you want an opportunity. We are sorry; America cannot afford you.

I wish to make one final point, and then I wish to yield to my friend from New Mexico. I was at an airport on Saturday, and a woman asked if she could visit with me as I walked through the airport. I said sure. She was a woman in her late seventies, and she began very quietly because she did not want anybody to hear. And as she began to speak, her chin began to quiver and she, I could tell, was going to have trouble holding back tears. And tears filled her eyes, and here is what she said to me. She said: My husband's in a nursing home, been there 3 years. We have a very small farm. I have now sold most of it to pay for his nursing home care. She said the problem is, I do not have any more money except we have got the home place, the house, and I wish to stay in my house. I do not want to have to sell my house. Her eyes were filled with tears. She says: I am not asking for favors. We have never asked anybody for anything. We have never been on the end of a hand-out. We have always made our own way. But this woman, in her late seventies, with tears in her eyes and her chin quivering, says: All I wish to do is be able to live in my house.

The fact is all of these people are victims of policies that say we ought to buy B-2 bombers and star wars instead of helping a 78-year-old woman stay in her home, instead of deciding we should not drive that woman into the poorhouse so that her husband can stay in a nursing home. All of these people, that woman, a young 4-year old kid, all of them have names. Senior citizens, Head Start kids, family farmers who are going to lose the farm, all of them have names. Those are the victims of bad choices in budget priorities. It is why, as we debate this, we have to think through what is good for our country, what advances America's economic interests. Is it just making sure those who have a lot get more? Or is it deciding, yes, the investors are important; yes, people who have done well and are successful are important to this country.

There is nothing wrong with that, no dispute about that. But there are others with needs in America that are important as well. Addressing those needs sometimes represents an enormous investment. It breeds enormous returns for our future. That is what this debate is about. And the outcome of this debate will determine what life is going to be like for that older woman, who

cries because she wants to keep her home, or for some young child who deserves a start in the Head Start Program.

Mr. President, I yield 8 minutes to the Senator from New Mexico, Mr. BINGAMAN.

The PRESIDING OFFICER (Mr. FAIRCLOTH). The Chair recognizes the Senator from New Mexico.

#### MEDICARE AND MEDICAID

Mr. BINGAMAN. I thank the Chair. I appreciate that time to speak about some of what is going on in Congress. There is a lot going on, but I wish to speak particularly about the Medicare and Medicaid proposals that we are going to have to vote on in the near future.

Mr. President, 30 years ago, when President Johnson signed into law the Medicare legislation, which really did establish a contract with the people of this country, New Mexico was very proud at that time because one of our great statesmen, Senator Clinton Anderson, was standing with President Johnson there in Missouri at the time that legislation was signed.

As many who have studied American history may recall, the legislation that enacted Medicare was called the King-Anderson bill, and Anderson, of course, was the Senate sponsor of that legislation, and very proudly so.

Since that historic day in the summer of 1965, the Medicare Program has made health care a reality for thousands of people throughout this country and, of course, thousands in New Mexico. It has been the lifeblood of many of my State's rural hospitals and rural health care providers. Today, the program is at a serious risk, and I am not at all confident that the contract that President Johnson and Senator Anderson then had worked out and fought for will survive in the same form that they enacted it.

The Republican majority here in Congress is proposing to reduce Federal resources for health care in this year's budget by \$450 billion from Medicare and Medicaid. That will occur, of course, over the next 7 years. In New Mexico, the result clearly will be less health care for poor children and a greater financial burden on seniors and families who attempt to care for seniors.

Today, there are some 300,000 New Mexicans who depend upon Medicaid for health care, and 60 percent of those 300,000—180,000, roughly—are poor children. I think that is a fact on which many have not focused in this debate, particularly on Medicaid. A significant majority of the people who are beneficiaries of Medicaid are poor children. That is certainly true in my State.

Under legislation that has been proposed by the Republican majority in the House and the Senate, many of these children are bound to go with less health care available to them. Both the House and Senate bills call

for major reductions in Medicaid funds to my State, New Mexico. In the House bill, the reductions in funding for New Mexico will exceed \$900 million over the next 7 years, almost \$1 billion. In the Senate bill, the reductions will exceed \$600 million. The Federal Department of Health and Human Services predicts that the loss in funding will cause our State, New Mexico, to reduce the number of people being served by Medicaid by 19 percent.

Now, if 19 percent of the 180,000 children presently served are dropped from the program, then more than 34,000 poor New Mexico children who today are covered by Medicaid will not be covered by Medicaid in the future.

Some may argue that this will never happen; that the State will make up the difference; that any shortfall in funds will be made up by our State legislature and/or Governor. If that is true, I guess my question is, why is my State joining with 23 other States in sending a letter protesting the overly prescriptive and onerous provisions that are contained in the Senate bill, specifically the requirements that States provide health care for below-poverty-line pregnant women and children up to age 12.

Mr. President, under the current Medicaid Program, our State is required to provide service to these vulnerable individuals, and my question is, why do we not just continue with that requirement? According to the Governors' letter, which I referred to earlier, continuing with that requirement could potentially lead to a huge cost shift to the States and the States want the flexibility to avoid that cost shift and thereby reduce the benefits to that vulnerable group.

In New Mexico, more than 212,000 seniors and children and adults with disabilities currently depend upon Medicare in addition to those who depend upon Medicaid, and by the year 2002 more than 257,000 New Mexicans are anticipated to be eligible for the program. More than 210,000 of those will be seniors.

What do these program cuts that are contained in the legislation we are going to vote on this next week mean to seniors? According to the American Association of Retired Persons study of this issue, the average Medicare beneficiary in my State will pay a minimum of \$2,000 more in higher deductibles, higher copays, and there are many services that will not be covered. It also means a raising of the eligibility age from 65 to 67 beginning in the year 2003.

Mr. President, a cost shift of this type and this size is especially tough on New Mexico seniors and their families because so many of those in my State who are seniors live at or near poverty. One in every five New Mexicans, including about 26,000 seniors, lives in poverty in my State. Many of the State's seniors are barely making ends meet today.